

## CHAPTER 2

### ADMINISTRATIVE RESPONSIBILITIES OF IOWA POSTSECONDARY EDUCATIONAL INSTITUTIONS

Colleges and universities seeking eligibility to receive state-funded student financial aid must request participation from the Iowa College Student Aid Commission (Iowa College Aid). Upon review of program requirements described in the following individual program chapters, college and university officials who believe their students should be allowed to participate in Iowa College Aid's programs should send a letter to the Iowa College Aid Director of Program Administration requesting participation information.

Iowa College Aid staff will examine the accreditation status of all participating colleges and universities annually to ensure compliance with state participation requirements.

Responsibility for ensuring the appropriate use of state-funded student financial aid lies with the chief executive officers at Iowa's colleges and universities. However, for administrative purposes, chief executive officers may designate individuals to be responsible for student financial aid, fiscal operations, and student enrollment.

Designation of responsibility must effectively separate program and fiscal functions. Iowa College Aid recommends the following distribution of duties:

- A. Financial aid administrators** to be responsible for coordination of all student financial assistance.
- B. Fiscal officers or business managers** to be responsible for maintaining accounting records and disbursing monetary awards.
- C. Registrars** to be responsible for maintaining enrollment records and monitoring students' dates of attendance.
- D. Campus Security Officers** to be responsible for adopting and enforcing policies that prohibit unlawful behavior by students and employees.
- E. College/University officials** to be responsible for data reporting, posting lists of required textbooks, promoting equal opportunity and affirmative action in the recruitment, appointment, assignment, and advancement of college personnel, and developing various other policies detailed in Section E of this chapter.

Chief executive officers, financial aid administrators, fiscal officers/business managers, registrars, campus security officers, and other campus officials must communicate effectively to ensure that each has information available to complete required duties. The recommended general duties of these officers, as they relate to state-funded student financial aid programs, are provided in this chapter.

## **A. FINANCIAL AID ADMINISTRATORS**

Financial aid administrators overseeing state-funded student financial aid programs are responsible for:

- Reviewing applicant information for accuracy, completeness, and reasonableness;
- Clarifying questionable information and documenting resolutions;
- Documenting changes in Expected Family Contributions (EFCs) submitted to Iowa College Aid;
- Resolving discrepancies between application information on need analysis reports and verification documentation;
- Updating and correcting applicant information electronically through the Central Processing System (CPS) or by requesting that students resubmit SARs with corrected information;
- Providing award information to students;
- Ensuring that disbursement rosters in Iowa College Aid Processing System (ICAPS) accurately portray the college disbursements made throughout the academic year;
- Reporting disbursements by Iowa College Aid defined reporting deadlines, listed in Chapter 3; and
- Ensuring overpayments are refunded to Iowa College Aid in accordance with the State Refund Procedures, as detailed later in this chapter.

When carrying out their duties, financial aid administrators should ensure that the following Iowa College Aid requirements are fulfilled.

### **1. Individual Student Records**

Individual student records must be maintained by college and university officials for all students who receive awards from state-funded financial aid programs. These records, which are generally located in the financial aid office, must include:

- a)** Aid application need analysis reports;
- b)** Documentation for any adjustments to students' records;
- c)** Award letters, if awards are offered; "copies" makes it sound like paper
- d)** Verification of each student's enrollment and satisfactory academic progress;
- e)** Resolved verification requests;
- f)** Withdrawal and refund information;

- g) Items listed under the section titled "Recordkeeping and Disclosure" in **The Federal Student Financial Aid Handbook**; and
- h) Documents used in a residency determination, if applicable.

All student financial aid records must reconcile with student accounting records and must include documentation for any changes to the initial award amounts.

Verification of information is required by Iowa College Aid for all students for whom verification is required by the federal Department of Education.

Accounting records and individual students' records are to be retained for **three years** from the end of the award years in which students last attended the college or university or until any audit questions have been resolved.

## **2. Standards of Satisfactory Academic Progress**

Written standards of Satisfactory Academic Progress (SAP) must be established by college or university officials and must be met and maintained by each student receiving state-funded financial aid. College and university officials are encouraged to review federal Title IV Student Assistance General Provisions Regulations to ensure that college or university standards comply with federal regulations (see Code of Federal Regulations at 668.34).

## **3. Award Year**

The award year for state-funded programs coincides with the **traditional academic year**, September 1 to May 31. If a specific enrollment term overlaps with these dates, please contact the Director of Program Administration to discuss state program eligibility for that term of enrollment. Payments to students generally are not made during summer terms for state-funded programs.

For Iowa Vocational-Technical Tuition Grants, the award year may be extended by Iowa College Aid to a period of twelve months if adequate funds exist to support summer payments. Normally, a summer period begins on June 1 and ends on August 31.

College and university officials operating under academic calendars that do not coincide with Iowa College Aid's fiscal year or the traditional academic year, must submit proposed plans of disbursement to Iowa College Aid staff by **October 1** prior to the new processing year. When an agreement has been reached and approval granted, payment of awards will be authorized.

#### 4. Student Budgets

Each year Iowa College Aid staff requests anticipated tuition, mandatory fees, room and board, and other projected college and university charges for the next academic year. College and university officials are responsible for providing accurate budget information and informing Iowa College Aid staff of changes. These cost projections assist Iowa College Aid staff in establishing the Standard Allowance which is added to college and university reported tuition, fees, and room and board charges to determine annual budgets for students.

**Iowa College Aid's Standard Allowance for 2017-18 is \$4,554** for a 9-month academic year. These amounts include:

	9-Month
Books and Supplies	\$1,339
Transportation	\$1,514
Personal/Miscellaneous	<u>\$1,701</u>
Total	<u>\$4,554</u>

The Standard Allowance is added to college and university actual reported tuition, fees, and room and board charges to calculate the total student budget when calculating eligibility for an Iowa award.

Tuition and Fees + Room and Board + Standard Allowance = Student Budget

This formula for calculating state student budgets must be used when calculating eligibility for Iowa College Aid-administered awards.

Exceptions to student budget calculations may be allowed for special circumstances (such as assistance for students with disabilities). However, all exceptions must be approved by Iowa College Aid's Director of Program Administration.

## 5. State-Administered Award Calculations

### Financial Need Calculation:

For state financial need-based program eligibility, only other need-based programs are considered in the financial need calculation.

The following programs are need-based: Iowa Tuition Grant, Iowa Vocational Technical Tuition Grant, Kibbie Grant, Barber and Cosmetology Arts and Sciences Tuition Grant, and All Iowa Opportunity Scholarship.

When awarded in combination with other need-based grants, total need-based funding including one of the specified state programs cannot exceed the student budget (which includes the Standard Allowance) minus the expected family contribution (EFC). An institution can either reduce state program awards or other sources of need-based aid to comply.

#### Example:

Student Budget (defined by Iowa College Aid)	\$38,500
Minus Expected Family Contribution (EFC)	<u>(\$ 7,500)</u>
Equals Iowa College Aid financial need*	\$31,000

\*If a state need-based program is awarded, total need-based funding cannot exceed this amount without requiring a reduction to state aid or another source of need-based aid.

### Tuition Restriction Calculation:

The following programs are tuition-restricted: Iowa Tuition Grant, Iowa Vocational Technical Tuition Grant, Kibbie Grant, and Barber and Cosmetology Arts and Sciences Tuition Grant.

When awarded in combination with other tuition-restricted funds, total tuition-restricted funding including one of these programs cannot exceed total tuition and mandatory fees charged to the recipient.

#### Example:

Student's tuition/mandatory fees charged	\$24,500
Total tuition/mandatory fee-restricted award eligibility**	\$24,500

\*\*If a state tuition-restricted program is awarded, total tuition-restricted funding cannot exceed this amount without requiring a reduction to state aid or another source of tuition-restricted aid.

### Non-Need-Based Award Calculation:

The following programs are not need-based: Educational and Training Voucher Grant, Iowa National Guard Educational Assistance Program, All Iowa Opportunity Foster Care Grant, and GEAR UP Scholarship.

These programs can be applied to any component in the student's cost of attendance (which includes the Standard Allowance).

## Awarding Scenarios:

### Student 1

Student Budget	\$20,000
<u>EFC</u>	<u>\$5,500</u>
Financial need	\$14,500

#### Other aid eligibility

AIOS (need-based)	\$4,184
FCG (not-need-based)	\$3,744
ETV (not-need-based)	\$5,000
Outside Scholarship (not-need-based)	\$4,000
<u>Institutional Merit Grant (not-need-based)</u>	<u>\$2,000</u>
Total aid eligibility	\$18,928
Need-based aid	\$4,184
Non-need-based aid	\$14,744

Since this student's total need-based aid (\$4,184) is within the calculated financial need (\$14,500), the student is eligible for the entire AIOS. Since total aid eligibility (\$18,928) does not exceed the COA (\$20,000), this student can receive the full amount of Commission-administered aid listed.

### Student 2

Student Budget	\$32,000
<u>EFC</u>	<u>\$8,500</u>
Financial need	\$23,500

#### Other aid eligibility

ITG (need-based)	\$5,650
AIOS (need-based)	\$8,368
GUS (not-need-based)	\$2,600
Outside Scholarship (not-need-based)	\$1,000
<u>Institutional merit award</u>	<u>\$8,000</u>
Total aid eligibility	\$25,618
Need-based aid	\$14,018
Non-need-based aid	\$11,600

Since this student's total need-based aid (\$14,018) is within the calculated financial need (\$23,500), the student is eligible for the entire ITG and AIOS. Since the student's total aid eligibility (\$25,618) does not exceed the COA (\$32,000), this student can receive the full amount of Commission-administered aid listed.

**Student 3**

COA	\$15,000
<u>EFC</u>	<u>\$5,500</u>
Financial need	\$9,600

## Other aid eligibility

KG (need-based)	\$2,505
AIOS (need-based)	\$4,184
GUS (not-need-based)	\$2,600
<u>Outside Scholarship (not-need-based)</u>	<u>\$1,000</u>
Total aid eligibility	\$10,289
Need-based aid	\$6,689
Non-need-based aid	\$3,000

Since this student's total need-based aid (\$6,689) is within the calculated financial need (\$9,600), the student is eligible for the entire KG and AIOS. Since the student's total aid eligibility (\$10,289) does not exceed the COA (\$15,000), this student can receive the full amount of Commission-administered aid listed.

## 6. Awarding Order

State administered funds should be awarded to eligible recipients in the order listed in the chart below. The chart also specifies which components of the student's cost of attendance the award can be applied.

<u>Program</u>	<u>Maximum Award</u>	<u>Apply To</u>
Iowa Tuition Grant – <b>Not-For-Profit</b>	TBD	Tuition/Mandatory Fees Only (need-based; cannot cover the EFC)
Iowa Tuition Grant - <b>Proprietary</b>	TBD	Tuition/Mandatory Fees Only (need-based; cannot cover the EFC)
Iowa Vocational-Technical Tuition Grant	\$1,200	Tuition/Mandatory Fees Only (need-based; cannot cover the EFC)
Kibbie Grant	TBD	Tuition/Mandatory Fees Only (need-based; cannot cover the EFC)
Barber and Cosmetology Arts and Sciences Tuition Grant	\$1,200	Tuition/Mandatory Fees Only (need-based; cannot cover the EFC)
All Iowa Opportunity Scholarship	TBD	Items Included on Student Budget (need-based; cannot cover the EFC)
Iowa Work Study	COA – EFC	Items Included on Student Budget (need-based; cannot cover the EFC)
Education & Training Voucher Grant	\$5,000	Items Included on Student Budget and Expected Family Contribution (not need-based)
Iowa National Guard Educational Assistance Program	TBD	Items Included on the Student Budget and Expected Family Contribution (not need-based)
All Iowa Opportunity Foster Care Grant	TBD	Items Included on Student Budget and Expected Family Contribution (not need-based)
GEAR UP Scholarship	\$2,600	Items Included on Student Budget and Expected Family Contribution (not need-based)



## **7. Calculation of State Award Amounts**

If the calculation of a student award does not end up as a whole dollar amount, the award should be rounded down to the nearest dollar. For example, a community college is calculating an NGEAP award covering 80% of their tuition and fees. After calculation, the award amount comes to \$1,286.60. This award should be rounded down to the nearest dollar, resulting in an award of \$1,286. This guidance is to remain consistent with the State Refund Procedures.

## **8. Mandatory Fees**

When calculating state awards that can only be applied to tuition and mandatory fees, mandatory fees (such as activity and library fees) should only include actual fee charges that are consistently assessed to all undergraduate students at the college or university. Mandatory fees may differ by program within the college or university but must be applied to all students enrolled in a specific program. Fees paid on a “one-time” basis (such as matriculation and graduation fees or fees for special classes) are not included when calculating state aid eligibility. An indicator of an eligible mandatory fee is that the fee would be refundable to the same extent as tuition in accordance with the institution’s tuition refund policy. Other projected college and university costs include such items as books, supplies, transportation, and miscellaneous expenditures.

## **9. Certification of Recipients**

Payment Files and adjustments must be provided to Iowa College Aid by the deadlines found in Chapter 3. Chapter 3 and Appendix A contain a complete explanation of the certification process.

## **10. State Refund Procedures**

If a student receives Iowa College Aid-administered aid for a term and stops attending before the end of that term, those funds cannot be refunded to that student after the withdrawal.

If a student withdraws<sup>1</sup> before the end of a term after receiving state financial aid payments, the percentage calculated under the college or university's formula<sup>2</sup> for return of funds to the student must be used to calculate the state refund amounts. The only state program that is exempt from this policy is the Iowa Work-Study Program.

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<sup>1</sup> This policy stands regardless of whether the student withdraws from one course, multiple courses, or all courses for which the student was enrolled in for that term.

<sup>2</sup> This formula could be the tuition refund policy used by the business office, the Return of Title IV funds policy, or an institutional financial aid refund policy.

Example: If, when using the college or university's refund policy, officials determine that a 20 percent refund is required, then 20 percent of each state award also must be refunded to the state program from which the funds originally were received. All refund calculations should be **rounded down** to the nearest dollar.

College and university officials must adjust a student's state award and make the appropriate adjustment on ICAPS. Funds need not be returned to Iowa College Aid until the term's payment information has been submitted and reconciliation completed between college or university officials and Iowa College Aid staff. When a Barber and Cosmetology Arts and Sciences Tuition Grant is reduced, the released funds should be reallocated by college or university officials to another eligible student.

When state funds must be returned, payment must be made within 30 days of the final reconciliation of ICAPS or within 30 days of the date that college or university officials learn that funds must be returned, whichever is later. The payment must be accompanied by a list of recipients for whom refunds are being provided. The list must include each student's name, amount of the individual refund, name of the state aid program to which funds are being returned, and the applicable award period (academic year). The final reconciliation dates for colleges/universities are listed below.

<b>The last state-defined term in which your college/university reports</b>	<b>Reconciliation Deadline</b>
Term 3	May 31
Term 4	July 15
Term 5	August 14
Term 6	August 30

## **10. Repayment Procedures**

Students determined to have been ineligible for state funds due to student error or fraud, such as understating family income, must repay all funds. When college or university officials determine that students owe repayments, they must:

- a) Immediately cancel future state-funded student financial aid payments.
- b) Notify Iowa College Aid of the cancellation.
- c) Consider the students ineligible for state aid until repayment is complete or satisfactory repayment arrangements have been made with, and confirmed by, Iowa College Aid.

Iowa College Aid staff will determine and oversee any further action.

## **B. FISCAL OFFICERS/BUSINESS MANAGERS**

Student account records are required for audit purposes. Accounting records should document an orderly flow of funds into students' accounts and must include the controls necessary to ensure compliance with state regulations.

Accounting records must include, but are not limited to, the following:

- Official student award files,
- Payment files,
- Vouchers,
- Canceled checks,
- Electronic Funds Transfer (EFT) documentation,
- Appropriate documents showing disbursements to students, and
- Items listed under the section titled "Fiscal Records a School Must Maintain" in **The Federal Student Financial Aid Handbook**.

### **1. Disbursements**

Disbursements may be made only when college and university officials have fully documented applicant eligibility. Financial aid administrators are required to sign annual certification forms prior to Iowa College Aid issuing state warrants.

For students selected for federal verification, disbursements of state-funded student financial aid may be made prior to completing the verification process as long as college or university officials have no reason to believe application information is inaccurate. If students become ineligible for aid due to verification activities, the state financial aid must be returned to Iowa College Aid.

### **2. Retaining Student Records**

Accounting records and individual students' records are to be retained for three years from the end of the award years in which students last attended the college or university or until any audit questions have been resolved.

## **C. REGISTRARS**

### **1. Withdrawal**

Colleges and universities must establish internal policies, which include the financial aid office in official withdrawal procedures. Such involvement is intended to ensure that refunds of charges paid with state funds are returned to Iowa College Aid.

### **2. College Catalog**

Colleges and universities must provide accurate student information to all students. The college or university catalog is a tool that officials may use to distribute required student information.

## **D. CAMPUS SECURITY OFFICERS**

Colleges and universities participating in state-funded student financial aid programs must comply with Section 261.9 of the **Iowa Code** and federal regulations in reporting campus crimes and other security related issues.

College and university officials must follow all federal and state regulations including, but not limited to:

- Adopting policies, which prohibit unlawful possession, use, or distribution of controlled substances by students and employees on property owned or leased by the institution or in conjunction with activities sponsored by the institution. College and university officials shall provide information about these policies to all students and employees. Policies must include clear statements of sanctions for violation of the policies and information about available drug or alcohol counseling and rehabilitation programs. In carrying out this policy, a college or university shall provide substance abuse prevention programs for students and employees.
- Developing and implementing written policies, which are disseminated during student registration or orientation, addressing the following four areas relating to sexual abuse:
  - Counseling.
  - Campus security.
  - Education, including prevention, protection, and the rights and duties of students and employees of the institution.
  - Facilitating the accurate and prompt reporting of sexual abuse to the constituted law enforcement authorities.

- Filing copies of annual report required by the Federal Student Right-To-Know and Campus Security Act, Pub. L. No. 101-542, with the Division of Criminal and Juvenile Justice Planning of the Department of Human Rights, along with copies of written policies.

## E. COLLEGE/UNIVERSITY OFFICIALS

Colleges and universities participating in state-funded student financial aid programs must comply with **Iowa Code Section 261.2(12)** in reporting the number of minority students enrolled in and minority faculty members employed at the institution. This data is collected in the annual Iowa College Aid Surveys.

Pursuant to **Iowa Code Section 261.7**, the General Assembly recommends that all public and private institutions of higher education in Iowa post lists of required and suggested textbooks for all courses and the corresponding international standard book numbers for such textbooks at least fourteen days before the start of each semester or term, at the location where textbooks are sold on campus and on the institution of higher education's website.

**The following policies are reviewed every 2 years in conjunction with the institution's application for exemption from registration in Iowa:**

Private colleges and universities participating in state-funded student financial aid programs must comply with **Iowa Code Section 261.9** in adopting a policy to offer not less than the following options to a student who is a member, or the spouse of a member if the member has a dependent child, of the Iowa national guard or reserve forces of the United States and who is ordered to state military service or federal service or duty:

- (a) Withdraw from the student's entire registration and receive a full refund of tuition and mandatory fees.
- (b) Make arrangements with the student's instructors for course grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the student's registration shall remain intact and tuition and mandatory fees shall be assessed for the courses in full.
- (c) Make arrangements with only some of the student's instructors for grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the registration for those courses shall remain intact and tuition and mandatory fees shall be assessed for those courses. Any course for which arrangements

cannot be made for grades or incompletes shall be considered dropped and the tuition and mandatory fees for the course refunded.

Private colleges and universities participating in state-funded student financial aid programs must comply with **Iowa Code Section 261.9** in developing and implementing a consistent written policy for an employee who in the scope of the person's employment responsibilities examines, attends, counsels, or treats a child to report suspected physical or sexual abuse.

Private colleges and universities participating in state-funded student financial aid programs (excluding barber and cosmetology schools) must comply with **Iowa Code Section 261.9** in adopting a policy to require that the institution shall annually, beginning December 15, 2015, file a report with the governor and the general assembly providing information and statistics for the previous five academic years on the number of students per year who are veterans who received education credit for military education, training, and service, that number as a percentage of veterans knows to be enrolled at the institution, the average number of credits received by students, and the average number of credits applied towards the award or completion of a course of instruction, postsecondary diploma, degree, or other evidences of distinction.

Private colleges and universities participating in state-funded student financial aid programs must comply with **Iowa Code Section 261.9** in promoting equal opportunity and affirmative action efforts in the recruitment, appointment, assignment, and advancement of personnel at the college or university.

Colleges and universities must comply with **Iowa Code Section 261F** regarding educational loans and a code of conduct.